SECRET - SECURITY INFORMATION

Pakistan
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EYES ONLY

MEMORANDUM OF CONVERSATION

Date: May 23, 1953
Time: 10:30 A.M.

SUBJECT: Pakistan

PLACE: Office of the Prime Minister

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY VWOLFJR DATE 6/1/82
PORTIONS DENIED AS INDICATED

PARTICIPANTS:

United States	Pakistan
Secretary of State Dulles	Mr. Mohammed Ali, Prime Minister of Pakistan
Mr. Harold E. Stassen	Mr. Aziz Ahmed, Cabinet Secretary
Ambassador Horace A. Hildreth	
Mr. Henry A. Byroade	
Mr. Douglas MacArthur II	
Mr. John K. Emmerson	
Lt. Col. Stephen J. Meade	

The Secretary referred to the countries he had visited on his trip, particularly to Egypt, and expressed the hope that the issue between Egypt and the UK would be solved. He referred to the Prime Minister's forthcoming visit to London and to the Commonwealth talks that would take place after the coronation. He expressed the hope that the Prime Minister would be able to exert his influence toward a settlement of this problem.

The Prime Minister stated that the four problems affecting this area were (1) the Egyptian situation, (2) the problem of Israel and the Arab states, (3) the Anglo-Iranian oil problem and (4) the issues between India and Pakistan.

The Secretary referred to his recent talks with Nehru and said he hoped some solution could be arrived at through the discussions to take place between the Prime Ministers of India and Pakistan. Mr. Mohammed Ali said that "a gesture must come *from* Nehru" and that pressure must be brought to bear on Nehru to achieve a solution. He said that the United States must "keep the heat on both of us".

Mr. Dulles stated that he had made clear to Nehru the deep concern of the United States in the problem. With respect to pressure, it is obvious that any action to relate economic aid to the political actions of another country would be resented. The Prime Minister agreed with this point of view. The Secretary said he had told Nehru that it was difficult for the U.S. to justify before Congress the giving of economic aid when the economies of both India and Pakistan were being dragged down by the maintenance of military establishments made necessary by the possibility of hostilities over Kashmir.

The Prime Minister noted that because of the Kashmir dispute, foreign capital was reluctant to come in to participate in the development of the country.

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The Secretary, commenting that there was an impression that the desire to settle the problem of Kashmir was stronger on the part of Pakistan than India, inquired whether partition was a possible solution. The Prime Minister replied that partition had been thought of but that it was no settlement since it would involve "selling the birthright of the people". The Secretary commented that reliance on the will of the people was a noble principle but that it was sometimes difficult to carry out a plebiscite which frequently would occur in an atmosphere of mistrust with opportunities to whip up violent emotions on both sides.

To the Prime Minister's comment that a calm atmosphere could be assured under the auspices of a neutral organization, the Secretary replied "you are optimistic about that". Mr. Dulles recalled that the record on the Saar plebiscite was pretty bad. Certainly there could be no objection to the theory and principle of a plebiscite but in practice it frequently did not work out. To us, the way the question is resolved is less important than that the problem should be settled. Certainly the United States does not want to interfere in the internal affairs of other nations. Nevertheless we are deeply concerned in this matter.

The Prime Minister expressed the opinion that the way to settle the issue was important and that there were three parties directly concerned; namely, India, Pakistan and the people of Kashmir. One was apt to lose sight of the interests of the people themselves and of the fact that anything imposed contrary to the will of the people would produce constant frustration and trouble. They would resist foreign domination and "we have no right to make a settlement not acceptable to the Kashmiri people".

Mr. Dulles stated that most boundary disputes were settled by negotiations between the two claimants. The United States had experience in these matters. Examples were the disputes over our boundaries with Canada ("54-40" or fight") and with Mexico. People want a Government which will provide law and order and under which they can achieve their livelihood. The Prime Minister replied that the Kashmir question was more than a boundary dispute, that it represented a dispute over a very large territory. He said he was optimistic, that he believed a settlement could be reached, but that India had to play a more important part than it had thus far. The present position seemed to suit India. In Pakistan there was a small minority who believed that "we should take the matter in our own hands" and solve it by direct action. Fortunately this was a small group of fanatics but nevertheless it represented a real danger.

The Secretary expressed the opinion that a settlement in Kashmir would make the settlement of other problems much easier. The Prime Minister agreed, pointing out the economic interdependency of India and Pakistan and the fact that the economies of both countries had been disrupted because of this dispute.

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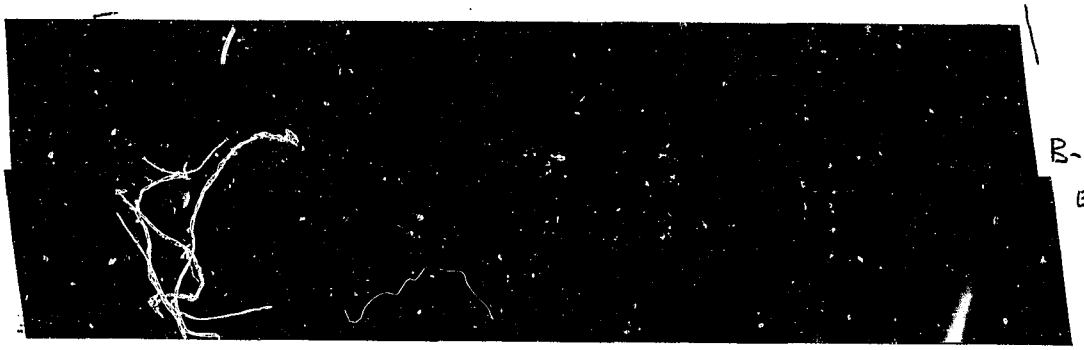
The Secretary then turned to the food problem in Pakistan and referred to the recent visit of the wheat mission. The Prime Minister replied that he had "his fingers crossed" on this matter. He emphasized that the stability of the present Government depended on getting the necessary wheat from the United States. There was a twofold need, one for wheat, and one for the financial help which would be represented by the proceeds from the sale of wheat. He said he dreaded to contemplate what would happen if the food problem could not be solved.

The Secretary stated that Mr. Stassen, the President and he himself were extremely sympathetic to Pakistan's position and that the interest of the Congress had been expressed by their sending a group here to make a study of the problem. The Executive Branch would do all it could to produce a favorable response. He was sure, however, that the Prime Minister would understand that the United States was going through a difficult period with respect to its budget and its financial position. He added that the fact that he and his party had been in Pakistan would help a great deal since they could testify first hand to the situation.



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The Secretary referred to the question of a Middle East Defense Organization and inquired whether the Prime Minister had any views he wished to express on this matter. Mr. Mohammed Ali replied that he was waiting for the Secretary to express some views on MEDO. He said that Pakistan would welcome anything which assured the security of this area. He said he liked the idea and had hoped to hear details about it from the Secretary.

Mr. Dulles said he could give no details since the organization had not come into existence. He believed that a new approach to the problem was necessary, that there had not been a solid enough base within the area itself to build an effective organization. It was important that the members not be principally those who may have an interest in the area but are located outside the area such as the US, France, the UK, Australia and others. It was better to start with something more indigenous to the area and at least initially, countries strangers to the area should not participate. The Secretary referred to the importance of the Suez bases in the case of war as suppliers for all the countries of the area. He hoped that a settlement of the situation between Egypt and the UK would permit the development of some kind of an organization.

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The Prime Minister remarked that there were three countries which stood in opposition to Turkish ambitions in this area. These were Iran, Afghanistan and Pakistan and they stood between the Persian Gulf and the Soviet Union.

At this, Ambassador Hildreth noted that the Secretary had an appointment with the Foreign Minister and it was decided to continue the discussion at 5:15 p.m. that day.